



## INDIANA DEPARTMENT OF TRANSPORTATION

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*MITCHELL E. DANIELS, JR., Governor*  
*THOMAS O. SHARP, Commissioner*

Writer's Direct Line  
(317) 232-1492

November 1, 2006

Subject: Updating the Airport Capital Improvement Program (CIP) for Years 2008 Through 2012

Request: Please fully complete CIP Data Sheets and all other requested items and return four (4) copies to me on or before Thursday February 1, 2007. (Incomplete submissions may be returned to you for completion)

Dear Airport Sponsor:

The Indiana Department of Transportation, Office of Aviation is responsible for administering the state funds available for airport development. We program the expenditure of these funds through the use of a statewide Airport Capital Improvement Program (CIP). The CIP is a multi-year document that is updated annually and includes planning, equipment and airport development projects for airports within the Indiana State Aviation System Plan. It is time again to update the CIP. We are soliciting project requests for the next **five (5) year period, 2008 through 2012.**

There are 3 types of funding for projects, when funding is available, as follows:

**Type I – Federal Matching Projects:** As in the past, a portion of state funds will match expected federal funds for primary, reliever, commercial service and general aviation category airports. Federal funds provide for up to **90% in 2008-2012** of a project's cost. The state normally splits the remaining share with the local sponsor. Please designate and label which projects are to be considered for this particular type of FAA funding and provide the specific year and estimated amount. If a sponsor receives State Apportionment or Federal Discretionary funds for any project, Non-Primary Entitlement funds for that airport will be applied to that project.

Additionally, certain revenue-generating projects (fuel farms and hangars) are now included in the list of eligible projects that may be requested if an airport can show that they have first met all of their other aeronautical needs. Because of the restrictions placed on eligibility of these revenue-generating projects, it is suggested that you list an alternative project for every revenue-generating project you request to take its place if not approved. **Also, there are certain documents that need to be submitted to the FAA and State before the project's eligibility for AIP funding can be approved. The Revenue-Generating Facility Eligibility Evaluation Form and instructions may be found at the website referenced below.**

**Type 2 – State/Local Match Projects:** In addition to matching federal funds, we are accepting requests for State/Local program projects. In the current biennium, no appropriation was made to this fund. However, we will be recording these requests so that we can accurately document the needs of Indiana's Airports. **It is essential that you document your airport's needs for inclusion in this program in the event that funding again becomes available. Otherwise you may lose out on development opportunities for your airport.**

**Type 3 – Aviation Loan Fund Projects:** We are not soliciting requests for projects under this program at this time.

Your requests for projects should outline individual work elements, associated costs, the year requested and the justification of need. Include a detailed color sketch with legend (e.g., projects superimposed on a reduced copy of the ALP plan sheet) outlining your proposed projects for each year.

As most sponsors are aware, it is the Office of Aviation's policy to separate environmental assessments and land acquisition from construction projects. Sponsors should take this into consideration when outlining their project requests.

In addition, a single airport project composed of several elements should be broken into separate projects if they can be constructed/completed without affecting the other components. For example, a runway extension project should list the following items separately: new navigation aids, replacement of the runway lighting system, perimeter fencing, etc. To better accommodate programming and facilitate funding, large, costly projects should be broken into phases with associated costs for each phase shown. **Sponsors should also schedule project phases to meet new FAA "General Milestones for Proposed AIP Projects."** These milestones may be found in the Policy & Procedures Memorandum-Airports Division Number 5100.19 dated October 16, 2006 which may be found at the website referenced below. **On large projects the environmental assessment and design phases will have to be scheduled well ahead of the construction phases to meet these new milestones.**

Please use the data sheet and instructions referenced below to submit your project requests for the next five (5) years. Projects should be listed by funding year and in priority order. If more convenient, feel free to request this form in an electronic format. Please email [nmcclain@indot.in.gov](mailto:nmcclain@indot.in.gov) if you would like an electronic copy emailed to you. A total of **four (4) complete copies** of your entire submission will be required which includes:

1. narrative cover letter on airport letterhead with projects listed in priority order by funding type and year on the front page followed by a summary by year of planned project activity;
2. CIP Data Sheets fully completed for each project;
3. total cost breakdown by major activity for each project with total for each year;
4. color sketches of projects on a reduced size copy of the ALP color coded by year requested; and
5. completed Revenue-Generating Facility Eligibility Evaluation Form when applicable.

Once the Office of Aviation, in conjunction with the FAA, has reviewed the requests, a tentative priority list of projects will be determined. From this list, additional meetings may be held or additional information may be requested to fine tune requests that will be included in the State CIP.

We have established **Thursday February 1, 2007 as the submittal deadline**. This time frame is needed in order to coordinate our schedule with the FAA's schedule. If you should have any questions or comments, please contact me at (317) 232-1492.

Sincerely,

Nick McClain P.E.  
Chief Airport Engineer, Office of Aviation

Reference: All of the following items referenced above may be found at <http://www.in.gov/dot/modetrans/>

- 1) CIP Data Sheet and instructions (word and excel)
- 2) Revenue-Generating Facility Eligibility Evaluation Form
- 3) Policy & Procedures Memorandum-Airports Division, Number 5100.19 dated October 16, 2006 w/  
General Milestones for Proposed AIP Projects

cc: FAA  
Airport Consultants

## **CIP Data Sheet Instructions for 2008-2012**

The Capital Improvement Program (CIP) Data sheet consists of the following elements, at a minimum. A sample CIP Data Sheet is included. **Please note, because of advance planning now required by FAA milestones, the entire sheet will be completed for all 2008-2012 projects. (See reference to FAA milestones on cover letter)**

**Note: Because of the information now requested for all projects, it may now require fewer projects on a sheet.**

**All sections must be completed for all 2008-2012 projects. (This is a change)**

- 1) Airport Name
- 2) Fiscal Year of proposed project
- 3) Project Data:
  - a) ALP Approval Date – Approval date of ALP which shows the project(s). Projects NOT shown on an ALP will be explained later.
  - b) Shown on ALP – Check box if shown on ALP
  - c) Project Type – Use **1** for Federal Type 1 Requests, **2** for State/Local Type 2 Requests
  - d) Project Description – Basic Description (e.g. Rehabilitate R/W 5-23)
  - e) For Type 1 Federal Matching Project funding:
    - Federal Share – Federal dollar amount of grant, maximum 90%.
    - State Share – State dollar amount of grant, maximum 5%
    - Local Share – Minimum 5%.
  - f) For Type 2 State/Local Match Project funding:
    - State Share – State dollar amount of grant, maximum 50%
    - Local Share – Local dollar amount of grant, minimum 50%
- 4) Environmental Status/ Environmental Schedule of Projects – Show the schedule for preparing all environmental documentation in order to meet your projected schedule for grant or show date of approval if environmental is complete.
- 5) Land Title Status & Date of Exhibit “A” Status – Show land title and date of current property map as evidence that land will be in place to meet your projected schedule.
- 6) For Projects not shown on ALP, Show ALP revision Schedule.
- 7) Local Funding Source – Show how local share of project cost will be funded.
- 8) Open Projects – Show current federal projects under grant and Scheduled close-out date.
- 9) Project Description – More detailed description of projects (Length, width, area, etc.)
- 10) Project Justification – Detailed cost breakdown and justification to support estimates for projects according to FAA guidance (e.g. operations counts for aircraft that require the runway extension or based aircraft counts and calculations for apron expansions.) Attach extra pages as required.
- 11) For each project, what month/year do you anticipate having bids or a negotiated price.
- 12) Certification – Please include Name and Signature of Authorized Representative and the Name and Phone number of the appropriate contact.

(Rev. 11-1-06)

## CIP DATA SHEET

Airport Name: \_\_\_\_\_ Fiscal Year: \_\_\_\_\_

ALP Approval Date: _____		Project Data			
Shown On ALP	Project Type 1,2	Project Description All Projects Anticipated within 5 Years	Federal Share \$	State Share \$	Local Share \$
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
*		Total Share:			

**PROVIDE THE FOLLOWING DETAILED INFORMATION FOR  
PROJECTS ANTICIPATED WITHIN 1-2 YEARS**

**Environmental Status/Environmental Schedule of Projects (e.g. Date of FONSI, expected Cat X, etc):**

**Land Title Status & Date of Exhibit "A" Status:**

**\* For Projects Not Shown On ALP, Show ALP Revision Schedule:**

**Local Funding Source**

**Open Projects (Provide Federal Grant Number and Scheduled Close-Out Date):**

**Project Description (e.g. Square Feet, Length/Width of Expansion):**

**Project Justification (Attach Extra Information Where Required): (e.g. detailed cost estimates, justification for ext)**

**For each project, what month/year do you anticipate having bids or a negotiated price:**

**Certification**

To the best of my knowledge and belief, all information shown in this CIP Data Sheet is true and correct and has been duly authorized by the sponsor.

\_\_\_\_\_  
Name And Title of Authorized Representative (Print or Type)

\_\_\_\_\_  
Contact Name and Title (Print or Type)

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Contact Phone (Print or Type)



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# Airport Improvement Program

## Revenue-Generating Facility Eligibility Evaluation Form

Airports Division  
Great Lakes Region

*The purpose of this form is to offer guidance to Great Lakes Region Airports District Offices (ADO's) in evaluating the eligibility of a given project or facility for AIP funding under FAA Order 5100.38B, "AIP Handbook," Change 2 issued May 16, 2005, Paragraph 526 (page 72). This form does not replace or supersede any statute or regulation, and it is not required; however, it may help expedite the evaluation by ADO and/or Regional Office staff. In order to make a final determination, the FAA may require further information. Please review instructions before submitting this form and requested attachments.*

### TO BE COMPLETED BY SPONSOR

<b>Airport and Location</b>	[insert name]		
<b>Airport Sponsor</b>	[insert organization]		
<b>Proposed Project</b>	[type brief description including type of facility and location]		
<b>Will the Airport Sponsor Own the Facility?</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<b>Will the Airport Sponsor Operate the Facility?</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<b>If "No," Describe Business Arrangement With Facility Manager</b>	[insert explanation—describe major commercial terms, duration of commitment, selection process, and whether facility manager functions on an at-risk or fee-for-service basis]		
<b>Will the Facility be Available for Public Use?</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<b>Describe Other Existing, Comparable Facilities, Ownership and Demand</b>	[insert brief description if applicable—if the purpose of the proposed project is to establish on-airport facilities, please indicate—if there is a waiting list, please attach it]		
<b>Projected Finances</b>	<b>Annual Costs<sup>1</sup></b>	[ \$x,xxx,xxx ]	<b>Annual Revenues</b> [ \$x,xxx,xxx ]
<b>Date of Current ALP</b>	[insert]	<b>Proposed Project on ALP?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>If proposed project not on current ALP, attach explanation including timeframe for amendment/submission.</i>			
<b>Lowest Current Pavement Condition Index (PCI) or Equivalent Standard Metric</b>	[insert, if known]		
<b>All Pavement and NAVAID Project Funding Identified for Next Three (3) Years?</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<b>All other Critical Airside Project Funding Identified for Next Three (3) Years?</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<b>Date Submitted</b>	[insert date]		
<b>Prepared By</b>	[insert printed name]	<b>Signature<sup>2</sup></b>	
	[insert title]	<b>Telephone</b>	[999] 999-9999
	[insert organization]		

### Agency Action *(to be completed only by FAA or designated state agency)*

<b>Disposition</b>	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved conditionally (explain below)	<input type="checkbox"/> Ineligible
<b>Explanation</b>	[explain if disapproved or approved conditionally]		
<b>Authorized Official</b>	[insert name]	<b>Telephone</b>	[999] 999-9999
	[insert title]		
	[insert ADO, office location and/or FAA routing symbol]		

<sup>1</sup> Including any ongoing capital costs (e.g., debt service)

<sup>2</sup> Signature not required if completed form is transmitted via email from the named preparer



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# Airport Improvement Program

## Revenue-Generating Facility Eligibility Evaluation Form

Airports Division  
Great Lakes Region

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**Background:** The current reauthorization for the FAA, "Vision100 – Century of Aviation Reauthorization Act," included a provision that allowed the use of Federal AIP funds for revenue-producing facilities, such as hangars or fuel farms. Specifically, the law states "The Secretary may decide that the costs of revenue producing aeronautical support facilities, including fuel farms and hangars, are allowable for an airport development project at a nonprimary airport if the Government's share of such costs is paid only with funds apportioned to the airport sponsor under section 47114 (d)(3)(A) and if the Secretary determines that the sponsor has made adequate provision for financing airside needs of the airport."

**Project funding:** The Federal share of the cost of these revenue-producing facilities can only be funded with nonprimary entitlements. State apportionment or discretionary funds cannot be used for the Federal share of these project costs.

**Types of facilities:** Current policy limits eligibility to hangars and fueling facilities as revenue-producing facilities. Other types of facilities may be addressed on a case-by-case basis. The intent of the program is to support the construction of new facilities; however, the acquisition of existing facilities will be addressed on a case-by-case basis and requires approval from FAA headquarters.

**Airside development needs:** The law requires that the FAA must determine if the sponsor has made adequate provision for funding the airport's airside needs before a grant can be issued for the construction of these revenue-producing facilities. In order for that determination to be completed, the sponsor must provide documentation outlining the airport's airside development needs and a financial plan for addressing those needs. As an example, a low PCI rating would indicate a need to invest in the airport's runways before investing in a revenue-producing facility. The financial plan can include AIP funding, but such funding should not be relied on as the primary means for financing since it would appear that the sponsor would be using its entitlements for lower priority work in order to fund revenue-producing facilities. In addition, if an airport's capital improvement plan identifies a need for discretionary funding in the next three years, then the use of AIP funds for revenue-producing facilities will generally not be approved.

**Revenue production:** The intent of the law is to provide for the construction of facilities to generate additional revenue for the operation, maintenance, and development of nonprimary airports. Since a development project funded under this provision will be a revenue-producing facility, a business plan shall be submitted to the ADO to determine the eligibility of the project. This plan should provide sufficient information regarding annual revenues as well as total capital and operating expenses for the ADO to make a suitable eligibility determination.

**Business plan:** Although no specific format for this plan is required, it will facilitate the review process if sponsors submit the following information:

1. What is the need for this facility? The business plan should demonstrate that there is sufficient demand for this facility. This justification should include documentation that supports the need, such as requests or letters of intent to rent hangar space. For fueling facilities, the documentation should provide a sound basis for the amount of fuel to be sold on an annual basis.

2. What revenue will this facility produce? The business plan should demonstrate that the airport will be receiving appropriate revenues from the facility. For hangars, the plan should show the rental fees for hangar space and the basis for determining those fees. For fueling facilities, the plan should show the amount of projected fuel sales, the amount of revenue to be received from each gallon, and the basis used to determine that amount. The plan should show how the revenue earned from this facility will contribute to the self-sufficiency of the airport. The plan should identify other entities on the airport that are providing similar services and should also show any impacts to the revenue received from those entities.

3. What are the costs for the facility? The business plan shall provide details on annual operating costs, such as utilities, insurance, and maintenance. The plan should also describe how the sponsor will manage the facility and the incoming revenue. Equally important, the plan should address the capital costs



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# Airport Improvement Program

## Revenue-Generating Facility Eligibility Evaluation Form

Airports Division  
Great Lakes Region

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for the facility. For example, will the facility generate sufficient revenue to amortize the facility's construction cost over a 30-year period? What financial obligations or expenses will the sponsor incur to provide the sponsor's share of the project costs?

4. Project Description: The business plan shall include a comprehensive description of the planned project, including construction details and drawings that show location of the planned project. This description should also include an estimate of costs.

5. Does the project comply with all rules and regulations? The business plan shall include the sponsor's certification that the project will comply with all appropriate laws and regulations. This is particularly important in the case of fueling facilities where a variety of environmental laws and rules are involved. The use of Federal funds to construct or improve the facility requires that the facility and its operation comply with all applicable laws and regulations at the Federal, state, and local level.

**Documents to be submitted:** The following documents shall be submitted to the FAA before the project's eligibility for AIP funding can be approved:

1. Completed "Revenue-Generating Facility Eligibility Evaluation Form";
2. Statement on airside development needs and financial plan;
3. Project description with drawings; and
4. Business plan for the proposed facility.

Insufficient or incomplete documentation may require additional information from the sponsor or may result in a determination that the proposed project is ineligible for AIP funding.

### Notes:

1. In addition, any other aspects of the proposed eligibility determination will be based on current AIP eligibility guidelines as described in Order 5100.38B.
2. All projects approved under this provision must be identified on an approved ALP. Construction of these facilities cannot proceed until an approved airspace review has been received.
3. Sponsors must maintain complete documentation of all revenue received from these facilities, since the FAA may periodically review those records to ensure that the airport is receiving all net revenues pursuant to the business plan.



U. S. Department  
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Great Lakes Region  
Illinois, Indiana, Michigan  
Minnesota, North Dakota,  
Ohio, South Dakota,  
Wisconsin

2300 East Devon Avenue  
Des Plaines, Illinois 60018

## **POLICY & PROCEDURES MEMORANDUM—AIRPORTS DIVISION**

**NUMBER:** 5100.19

**DATE:** October 16, 2006

**SUBJECT:** Airports Capital Improvement Plan (ACIP) Process and Associated Airport Improvement Program (AIP) Grant Administration

**REFERENCES:** FAA Order 5100.38, "Airport Improvement Program Handbook"  
[http://www.faa.gov/airports\\_airtraffic/airports/aip/aip\\_handbook/](http://www.faa.gov/airports_airtraffic/airports/aip/aip_handbook/)

FAA Order 5100.39, "Airports Capital Improvement Plan"  
[http://www.faa.gov/airports\\_airtraffic/airports/resources/publications/orders/media/AIP\\_5100\\_39A.pdf](http://www.faa.gov/airports_airtraffic/airports/resources/publications/orders/media/AIP_5100_39A.pdf)

FAA Order 5050.4, "National Environmental Policy Act (NEPA) Implementing Instructions for Airport Actions"  
[http://www.faa.gov/airports\\_airtraffic/airports/resources/publications/orders/environmental\\_5050\\_4/](http://www.faa.gov/airports_airtraffic/airports/resources/publications/orders/environmental_5050_4/)

### **BACKGROUND:**

The purpose of this Policy & Procedure Memorandum (PPM) is to supplement and clarify the above-referenced FAA orders.

The Great Lakes Region has established these policy clarifications in response to concerns expressed by states, individual airport sponsors and consultants regarding the iterative process of funding decisions. The broad objectives are to ensure that the states and airports in the Region receive the best possible information regarding the potential availability of AIP Discretionary funds for specific proposed projects, and ensure that AIP funds are used in the most effective and efficient manner to create improvements in terms of airport safety, capacity and efficiency.

### **POLICY CLARIFICATIONS:**

The purpose of this Policy & Procedure Memorandum (PPM) is to supplement and clarify the above-referenced FAA orders. This PPM establishes policy and procedure for the FAA's Great Lakes Region only.

- 1. Airports Capital Improvement Plan (ACIP) process.** In order to provide states and airport



sponsors with the best possible information regarding potential funding, the ACIP process must be driven by effective capital planning with a longer-term view than the first year of the three-year plan. It shall be the policy of the Great Lakes Region that between FY-2007 and FY-2009, we will transition to a point where the principal focus of the three-year ACIP process is on the third year of the plan. The objective is that projects identified for potential funding in the first and second years are advancing towards implementation with a greater degree of certainty. To assist in this transition, Attachment A outlines a number of key milestones that sponsors should be addressing as they develop their capital plans.

**2. Advance programming.** In order to be in a position to obligate funds as swiftly as possible, it shall be the policy of the Great Lakes Region to advance-program Entitlement funds whenever possible in accordance with all applicable statutory, regulatory and procedural guidelines. The principal benefit of this practice is that once the programming process is complete, the funds may then be obligated as soon as they are made available to the Region.

**3. Publication of Discretionary funding priorities.** Beginning in October 2006, and each October thereafter, the Great Lakes Region will announce the general types of projects that are likely to represent the highest priorities for Discretionary funding during that fiscal year. The purpose of this announcement will be to give the states and sponsors some ability to evaluate the likelihood of Discretionary funds becoming available for a particular project in that fiscal year. In addition, the Region will identify longer-term priorities and initiatives to help guide states and sponsors in their own longer-term capital development planning. This will provide guidance to the annual ACIP process as well as the biennial update of the National Plan for Integrated Airport Systems (NPIAS).

**4. Enforcement of grant application deadline.** Each year, pursuant to statute, the FAA publishes an announcement in the *Federal Register* establishing a "Deadline for Notification of Intent To Use the Airport Improvement Program (AIP) Sponsor, Cargo, and Nonprimary Entitlement Funds" for that fiscal year. That announcement states that "Absent an acceptable application by May 1, 2006, FAA will defer an airport's entitlement funds until the next fiscal year." This notice applies to "This notice applies only to "those airports that have had entitlement funds apportioned to them, except those nonprimary airports located in designated Block Grant States."

Beginning in Federal Fiscal Year 2007, it shall be the policy of the Great Lakes Region that each Airports District Office (ADO) Manager shall determine whether to require a formal grant application or to accept an alternative form of notification from the sponsor, as long as such form of notification clearly states the sponsor's intended use of the funds including a complete outline of funding sources. If a sponsor does not submit a grant application or alternative notification acceptable to the ADO Manager, then the associated funds shall be carried over to the following Federal fiscal year in accordance with the provisions of the *Federal Register* notice.

If no application or other acceptable notification is submitted by the established deadline, the ADO Manager shall have the authority to grant an extension of no more than thirty (30) calendar days from the published deadline. In such cases, the ADO Manager must notify the Manager, Planning/Programming Branch. Otherwise, the ADO shall carry over the funds within thirty (30) calendar days of the published deadline. Pursuant to the annual *Federal Register* notice, airport sponsors may then request unused entitlements after September 30th, pending appropriations and apportionment.

If, after submitting a timely application or other written notification, an airport sponsor elects not to proceed with the project for any reason, the sponsor may request permission to submit a revised application for a different high-priority project, in accordance with the FAA's National Priority System (NPS). Under such circumstances, all other requirements, including environmental review, must be completed before the project may proceed.

5. **Elimination of “placeholder” projects.** In order to ensure that states and individual airports are using AIP funds for the highest priority needs at each location, beginning in Federal Fiscal Year 2007, it shall be the policy of the Great Lakes Region that a sponsor may not change a project that was referenced in an AIP grant application to a different project whose National Priority Rating (NPR) is lower than the original project. Exceptions may be approved under extraordinary circumstances if the sponsor submits justification to the ADO Manager.
6. **Environmental review deadlines.** FAA Order 5050.4B, Paragraph 302(b)(1) states that on projects for which the sponsor will request Discretionary funding, for an action that is normally a categorical exclusion, “sponsors should provide the responsible FAA [office] with information about a proposed action and its associated impacts by April 30th of the fiscal year preceding the fiscal year in which the sponsor is requesting Discretionary funding.”

Similarly, the same section states that on projects for which the sponsor will request Discretionary funding, for an action normally requiring an Environmental Assessment (EA), Sponsors should “develop a schedule that provides them enough time to submit a final, FAA-accepted EA by April 30th of the FY preceding the FY in which the sponsor is requesting discretionary AIP funding.”

In order to clarify the relationship between these statements and the ACIP process, to afford sponsors sufficient time to adjust to this new requirement, it shall be the policy of the Great Lakes Region that a sponsor must submit a completed Categorical Exclusion checklist or a final Environmental Assessment for any project for which any AIP funding (including Entitlements, Discretionary or state apportionment) by the dates shown below:

- By April 1, 2007 to be considered for FY-2008 Discretionary funding.
- By March 1, 2008 to be considered for the FY-2009 ACIP (all categories of AIP funding).
- By February 1, 2009 to be considered for the FY-2010 ACIP (all categories of AIP funding).
- By February 1 of each subsequent year.

Submission of the required materials by these dates is not a guarantee that FAA will be able to complete its review in time for funding consideration, and sponsors are encouraged to complete the necessary environmental reviews as early as possible, with sufficient early coordination with FAA and other Federal, state and local agencies as required.

**7. Separate engineering grants and construction grants.** As shown in Attachment A, the basic objective is to complete engineering design approximately three to six months prior to construction, early enough in the fiscal year to take fullest advantage of the construction season. In cases where the design work cannot be completed in time to support the timely award of a construction grant, it shall be the policy of the Great Lakes Region to consider awarding separate grants for engineering design and construction

phases. The basic objectives are to complete environmental review at least 12 months prior to beginning construction, and to complete engineering design approximately three to six months prior to construction.

**8. Grants based on bids.** Airport sponsors benefit greatly from the requirement that construction and equipment grants be issued only after sponsors have received competitive bids, rather than based on engineering estimates. For land acquisition, grants should be based on negotiated purchase agreements (rather than on appraisals). The principal benefit is that grant amounts have been more accurate, and therefore grant funds have not been needlessly obligated and sat unused for years before being returned to the Trust Fund. It shall continue to be the policy of the Great Lakes Region that grants for construction and equipment are to be issued only after competitive bids have been received. The ADO Manager may approve exceptions under extraordinary circumstances after coordinating with the Planning & Programming Branch.

**9. Project phasing.** Because one of the principal objectives is to ensure that appropriated funds are used in the most efficient manner possible, it shall be the policy of the Great Lakes Region that Discretionary funding will generally be awarded in an amount commensurate with construction that can be undertaken in one construction season—or, in cases where grants are issued late in the season, for the remainder of that year and the following construction season. ADO Managers may consider exceptions in cases where the project is of a nature that cannot be accomplished in a single construction season, or where requiring the project to be bid in separate phases would result in a significant increase in overall capital cost.

Jeri Alles  
Airports Division Manager  
Great Lakes Region

**ATTACHMENT A: GENERAL MILESTONES FOR PROPOSED AIP PROJECTS**



## **ATTACHMENT A: GENERAL MILESTONES FOR PROPOSED AIP PROJECTS**

### **Four (4) years before proposed construction**

- Identify potential projects and coordinate with Airports District Office (ADO).
- Identify proposed funding sources.
- Verify justification and funding eligibility in coordination with ADO.
- Determine whether Airport Layout Plan (ALP) or Exhibit A need to be updated.
- Review AIP-eligible projects for alignment with established Federal priorities.
- For new, extended or relocated runways, identify required flight procedure modifications.
  - For new, extended or relocated runways, or any project that may affect an area of potentially significant environmental sensitivity (including wetlands or noncompatible land use), initiate environmental review process in coordination with FAA and other Federal, state and local agencies.

### **Three (3) years before proposed construction**

- Establish scope of project and develop initial cost estimate.
- Determine whether a Benefit/Cost Analysis (BCA) or risk assessment may be required. If a BCA will be required, conduct screening-level evaluation.
- Determine whether existing NAVAIDS affected, or new NAVAIDS required.
- Determine whether flight procedures may need to be modified, and initiate obstruction survey if necessary.
- Determine level of environmental review required. If an Environmental Impact Statement (EIS) may be required, initiate process.
- Determine whether Disadvantaged Business Enterprise (DBE) goals need to be established or updated.

### **Two (2) years before proposed construction**

- Update ALP if necessary.
- Initiate environmental review (if categorical exclusion or environmental assessment).
- Refine scope and cost estimate.
- Coordinate NAVAIDS requirements.
- Coordinate new or modified flight procedures.
- Coordinate airspace review.
- Prepare and submit Benefit/Cost Analysis.

### **One (1) year before proposed construction**

- Finalize scope of project.
- Complete 90% design, plans and specifications and refine cost estimates.
- Prepare Construction Safety Phasing Plan.
- Establish reimbursable agreement to support NAVAIDS if necessary.
- Complete environmental review (see specific deadlines on page 3).
- Secure additional environmental or other approvals or permits that may be required.
  - Finalize ALP update.

### **Year of planned construction**

- Advertise and secure bids.
- By deadline published in *Federal Register* (historically May 1<sup>st</sup>), submit grant application or other form of written notification acceptable to the ADO Manager.